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TAGS: ENRG KNNP PREL PARM
SUBJECT: SPECIAL ENVOY WOLCOTT AND EXPERT DELEGATION
DISCUSS NUCLEAR ENERGY COOPERATION WITH KUWAIT

REF: A. KUWAIT 561
 B. STATE 48644

Classified By: Ambassador Deborah Jones for reasons 1.4 (b) and (d).

¶1. (C) Summary and Comment: On June 10, a delegation led by Ambassador Jackie Wolcott, Special Envoy for Nuclear Nonproliferation, and including representatives from the Department of State, the Department of Energy (DOE), the National Nuclear Security Administration (NNSA), and the Nuclear Regulatory Commission (NRC), met with officials and scientists from the Ministry of Electricity and Water (MEW) and the Kuwait Institute for Scientific Research (KISR) to discuss possible options for bilateral and/or regional nuclear energy cooperation. Members of the delegation presented a broad range of options for U.S. technical assistance and referred to recent bilateral MOUs for nuclear cooperation signed with Bahrain, the UAE, and Saudi Arabia. Wolcott invited the Kuwaitis to Washington for further more detailed discussions. Officials at MEW asked insightful questions, expressed appreciation for the early bilateral consultation, and expressed interest in further discussion, but cautioned that Kuwait was still in a very early stage of considering nuclear power and had made no decisions. Officials and researchers at KISR were generally interested in technical cooperation and capacity building; but the Director General emphasized that KISR's role in the nuclear field is currently limited to environmental monitoring and emergency planning, mostly in response to Iran's Bushehr reactor. He said Deputy Director General for Research Dr. Nader Al-Awadhi, Kuwait's representative to the Gulf Cooperation Council (GCC) and the International Atomic Energy Agency (IAEA) for nuclear discussions would be KISR's point of contact for follow-up. After the meetings, Ambassador Wolcott conducted a brief press roundtable with local Arabic-language newspapers.

¶2. (C) Overall, the Kuwaitis seemed interested in exploring options for nuclear energy cooperation, but they are not ready to make any firm commitments or decisions in the near term. Discussions among the GCC members still appear preliminary and exploratory, and any consideration of Kuwait launching its own nuclear program seems even more embryonic. While the GOK clearly wants to keep its options open and to be kept informed, an MOU signing seems unlikely in the near future. End Summary and Comment.

USG Team Offers Assistance, Encourages Caution

¶3. (SBU) On June 10, a delegation led by Ambassador Wolcott and including Alex Burkart, Marc Humphrey, and Ariel Stukalin from the State Department's Bureau of International Security and Nonproliferation; Elizabeth Lisann from the Office of Nuclear Energy at the Department of Energy; John McClelland-Kerr from the National Nuclear Security Administration; John Ramsey from the Nuclear Regulatory Commission; and Andrew Steinfeld from the State Department's

Office of Arabian Peninsula Affairs, met separately with MEW Under Secretary Yousef Al-Hajri and KISR Director General Naji Al-Mutairi and their respective staffs to express U.S. support for the responsible development of civil nuclear power and to discuss options for possible U.S. nuclear cooperation with Kuwait and/or the GCC.

¶4. (SBU) Referring to the Joint Declaration on Nuclear Energy and Nonproliferation issued jointly by Presidents Bush and Putin on July 3, 2007, Amb. Wolcott explained that the United States supports the safe, secure and responsible pursuit of nuclear power, and seeks to assist interested countries in pursuing nuclear power programs with the highest standards of nonproliferation. She emphasized USG support for the expansion of nuclear power in a responsible way, in contrast to the manner pursued by Iran in defiance of international nonproliferation standards. Wolcott added that the USG wants to ensure that all new nuclear plants are built with the highest safety and security standards, since an incident anywhere could inhibit the growth of civil nuclear power everywhere. She recognized that Kuwait and GCC were still in a preliminary stage of considering nuclear power but said the U.S. wants to reach out to the GOK early to offer assistance in the decision-making process and present an array of options for possible technical cooperation. Wolcott stressed the advantages, for countries developing new nuclear power programs, of obtaining fuel from the international commercial market as opposed to developing sensitive nuclear fuel cycle technologies. She added that the U.S. had signed non-legally-binding Memoranda of Understanding MOUs) for nuclear energy cooperation with Bahrain in March, UAE in April, and Saudi Arabia in May, each of which included a

KUWAIT 00000761 002 OF 004

statement of intent to buy fuel from the market in lieu of acquiring domestic enrichment and reprocessing capacity. She also informed the Kuwaitis that the delegation would have subsequent meetings in Qatar. She invited the Kuwaitis to participate in further more detailed discussions in Washington.

¶5. (SBU) Alex Burkart from State recommended the IAEA milestones document as the most useful tool to help states make a knowledgeable decision about the feasibility of a national nuclear energy program. He commended the GOK for concluding a Comprehensive Safeguards Agreement and an Additional Protocol with the IAEA, and recommended that the GOK consider signing on to additional nuclear conventions (related primarily to safety, security, and liability). He went on to outline a number of diverse options for bilateral or multilateral cooperation, including, human resources, energy planning, nuclear regulation, and other infrastructure development. Burkart undertook to provide a document summarizing the types of cooperation available. He noted that while the U.S. supports technical cooperation projects under the IAEA, certain types of assistance are more amenable to cooperation bilaterally or through multinational partnerships, such as the Global Nuclear Energy Partnership (see below). In the meeting with KISR, Burkart mentioned that the U.S. was interested in launching a university exchange program in which one or more foreign universities would be given virtual access to a research reactor in the United States for remote training exercises. Dr. Burkart also summarized the types of formal cooperation agreements that the United States could enter into, noting that a good deal of infrastructure-related cooperation could take place outside a formal agreement framework.

¶6. (SBU) Elizabeth Lisann from DOE described the Global Nuclear Energy Partnership (GNEP), which was launched in 2006 and now includes a total of 21 partner countries. GNEP currently has two working groups on reliable nuclear fuel services and infrastructure development, and is establishing a third on grid-appropriate reactors. One product under development by the infrastructure working group, Lisann explained, was a virtual resource library. Lisann added that

partner countries are open to expansion of the group's membership and would be inviting Kuwait to attend the next GNEP Ministerial on October 1 in Paris.

¶ 17. (SBU) John McClelland-Kerr explained that the NNSA's two principal areas of cooperation were increased safeguards, effectiveness and infrastructure development for new nuclear energy states. He said that NNSA was currently cooperating with a diverse range of foreign partners in the region (including Algeria, Libya, Morocco, and Egypt) on issues including energy planning, reactor safety, radiological surveillance, and human resources development (the greatest challenge, he noted, facing most countries). McClelland-Kerr commented that cooperation with NNSA is flexible and focused on overcoming technical challenges. In the meeting at KISR, McClelland-Kerr extended an invitation for the GOK to attend a workshop on nuclear energy development for GCC states, to be held in Amman in October.

¶ 18. (SBU) In response to questions about nuclear energy in the United States, Jack Ramsey highlighted NRC's thirty years of experience in nuclear regulation and explained that the U.S. was home to 104 nuclear power plants out of about 400 worldwide. Ramsey noted that although the NRC had received no applications for new power plants for twenty years, thirty new applications were expected between September 2007 to December 2008. Although there are many plants around the world, Ramsey commented that there is a good deal of similarity between designs and that regulation in many different countries has been greatly facilitated by global information exchange. If Kuwait were to opt for nuclear power, he added it could also benefit from such cooperation. In order to build up indigenous regulatory capacity, the U.S. could also provide opportunities for short- or long-term training and professional exchanges.

Electricity Ministry Beginning to Ponder Nuclear Power

¶ 19. (C) In the meeting at MEW, Under Secretary Al-Hajri welcomed the offer of cooperation but stressed, "We are at an early stage and just starting to investigate nuclear energy." Eng. Hamad Al-Khaledi, Assistant Under Secretary for Water Operations, said the GOK had thus far only engaged in talks with the IAEA under the GCC umbrella and had attached the December 2006 IAEA workshop on "Issues for the Introduction of Nuclear Power." He said the GCC was carefully exploring issues of feasibility, location, infrastructure, human

KUWAIT 00000761 003 OF 004

resources, and the fuel cycle. He emphasized that Kuwait was still "new to the subject" but "wants to do it right" under the umbrella of international expertise and rules. Al-Khaledi asked about the status of programs in other countries in the region to which Dr. Burkart replied that the UAE was the most active of the GCC countries and was consulting with an American company, while Egypt had the most advanced nuclear infrastructure program among Arab countries.

¶ 110. (C) Dr. Meshan Al-Otaibi, Assistant Under Secretary for Planning and Training and a former GOK envoy to the IAEA, asked what factors should be considered in deciding on the location for a nuclear plant. Ramsey acknowledged that there was no simple answer, but said seismic activity, proximity to a water source, environmental considerations, and proximity to population centers were some of the important factors. Al-Otaibi then asked if it would be possible to import power produced by nuclear plants in neighboring countries through an interconnected grid. Burkart said there were numerous examples of this in Europe, with France exporting power to many of its neighbors, and Austria importing power from the Czech Republic. Ramsy added that Lithuania, Latvia, and Estonia were also considering a regional approach, and that even in the U.S. much of the electricity generated in the south is transmitted thousands of kilometers to consumers in

the north. Steinfeld encouraged the GOK to consider a regional nuclear power program (e.g., within the GCC).

¶11. (C) Eng. Ahmad Al-Jassar, Assistant Under Secretary for Power Station and Water Distillation Projects asked if the new generation of new reactors was safer. In response, Ramsey explained that the safety of the latest (third) generation of nuclear reactors had benefited greatly from lessons learned from previous generations. The first third generation reactors, he noted, would be built in China, Finland, France, and the United States.

¶12. (C) Under Secretary Al-Hajri asked if there were other uses of peaceful nuclear technology. Ramsey replied that nuclear power can be used for desalination, and that this had been demonstrated in the former Soviet Union. (Note: Kuwait struggles to produce enough water to meet its rapidly growing demand. Desalinated seawater from the Gulf makes up more than 95 percent of the country's water supply. End note.)

KISR Engaged with GCC, IAEA; Open to Further Talks

¶13. (C) Following an introduction by Ambassador Wolcott, Director General Al-Mutairi opened the discussion at KISR by saying that the Institute's main objective is to protect against ionizing radiation, and that its activities in the nuclear field is therefore focused on environmental monitoring, radionuclide mapping, and emergency preparedness.

Al-Mutairi said KISR has only been engaged in these activities for four years, and was still in the capacity building phase. In response to a question about the motivation behind these interests, the Kuwaiti side noted that Iran's Bushehr reactor was sighted directly across the Gulf from Kuwait, and that this led to safety-related environmental concerns.

¶14. (C) Al-Mutairi said KISR's Deputy Director General for Research, Dr. Nader Al-Awadhi (who was unable to participate because he had meetings at the IAEA in Vienna), is the GOK's representative to GCC for nuclear discussions. Al-Mutairi said several meetings had been held in the past year among GCC representatives in Riyadh and at the IAEA in Vienna (noting that the Agency was being viewed as a "consulting agency"). He said the GCC was proceeding very cautiously and had not yet made any decisions about whether to build a reactor or where to site one, though the group had agreed at its last meeting on "12 items" to be completed prior to moving forward. He remarked, "A lot of this is politics; some of it is science. We'll focus on the science." He added that should the GOK or GCC decide to build a nuclear plant, U.S. experience and expertise could be very helpful.

¶15. (C) Al-Mutairi proudly stated that KISR wants to be a regional center of excellence, particularly in regards to calibration and instrumentation. He noted that, although its current focus was on environmental monitoring, KISR would be the body entrusted to analyze scientific and technical issues for the GOK as the GCC moved towards nuclear power. He commented that the Institute would be most interested in human resources development and training, collaboration under the NNSA "sister laboratories" program, and assistance with regulatory capacity development. More generally, the Kuwaiti side resonated with the idea of developing relationships with U.S. labs. Al-Mutairi also noted that Kuwait had sent a representative to the GNEP Steering Group meeting in Jordan

KUWAIT 00000761 004 OF 004

in May. Al-Mutairi, who has been Director General for slightly less than a year, added that he would be finalizing KISR's long-term strategic plan over the next nine months, which he expected to include a KD 817 million (USD 3.06 billion) budget for the next five years. He said he hoped for more discussions on nuclear cooperation in the near future to help him determine whether additional nuclear research programs should be included in the long-term plan.

¶16. (C) Al-Mutairi was joined in the meeting by Deputy Director General Dr. Mohammad Salman, Coastal and Air Pollution Department Director Dr. Mane Al-Sederawi, Advanced Systems Department Director Engineer Hani Qasem, and Doctors Jaroslav Jakes and Michael Quinn from the Urban Development Division of the Advanced Systems Department. All of the directors and researchers expressed interest in further discussions on technical cooperation and capacity building. Dr. Jakes noted that KISR had previously collaborated successfully with DOE's Sandia National Laboratories in a radiation measurements cross calibration Project in October 2004, and that would welcome new research collaboration (citing a particular interest in reactors and fuels, safety and security, nuclear forensics, and illicit trafficking). He also expressed an interest in acquiring a "school type" critical assembly for research and training.

Press

¶17. (U) After the meetings, Ambassador Wolcott conducted a brief press roundtable with reporters from six local Arabic-language newspapers. She explained the purpose of her visit to Kuwait and the U.S. commitment to support the development of civilian nuclear energy programs that meet the highest standards of safety, security, and transparency. Besides nuclear energy cooperation, the reporters' questions focused on Iran's nuclear program, Israel's nuclear program, the dangers of residual depleted uranium munitions, and efforts to keep nuclear materials out of the hands of terrorists.

¶18. (U) Ambassador Wolcott cleared on this message.

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